

SECTION 430: TYPES OF CONTRACTS

1. General Description. Chapter 103 of the HAWAII REVISED STATUTES (HRS), entitled "Expenditure of Public Money and Public Contracts", is the most significant of the statutes dealing with contracts, especially those subject to the requirement for public advertisement for bids. Throughout the HRS, there are provisions that affect various aspects of contracts, and departments and agencies performing the procedures described in these sections of the manual should have a working familiarity with such provisions and be able to recognize their applicability. Additionally, departments and agencies should be aware of precedent decisions, Attorney General's opinions, and executive directives in determining the propriety of contracts.
2. Types of Contracts. For purposes of contract control activities in the central accounting system, the following types of contracts are identified:
 - (a) Formal Bid Contracts. Contracts subject to the most formal bidding requirements of Section 103-22, HRS. An affidavit of publication evidences that the advertising requirements for this type of contract have been met.
 - (b) Informal Bid Contracts. Contracts subject to the less formal bidding requirements of Section 103-22, HRS. A copy of the required advertisement evidences that the requirements for this type of contract have been met.
 - (c) Bid Exception Contracts. Contracts which, as described in Section 103-22, HRS, are not subject either to formal bidding or to informal bidding requirements.
 - (d) Price-Term, Open-End, or Requirements Contracts. Contracts under which the total amount to be paid to the contractor cannot be accurately estimated at the time the contract is to be awarded, and which are therefore not subject to the certification requirements of Section 103-39, HRS.
 - (e) Personal Services Contracts. Contracts for rendering personal services on a contractor basis (that is, not on the basis of an employer-employee relationship). When applicable, as determined by the Director of Personnel Services, the expending agency for this type of contract must furnish the written approval of the Director of Personnel Services that the contracted personal services are not subject to Chapter 76 (Civil Service Law) and Chapter 77 (Compensation Law), HRS.
 - (f) Accounting and Auditing Services Contracts. Contracts for rendering accounting and auditing services that are subject to the requirements of Comptroller's Circular No. 125, dated May 18, 1959, and Comptroller's Circular No. 196, dated September 23, 1968.

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- (g) Consultant Services Contracts. Contracts for rendering consulting services that are subject to approval requirements of the Governor or other competent authority.
- (h) Attorney Services Contracts. Contracts for rendering attorney services subject to the provisions of Section 103-3, HRS.
- (i) Telecommunications Services and Facilities Contracts. Contracts for specified telecommunications services and facilities subject to approval requirements of the Governor or other competent authority.
- (j) Electronic Data Processing Services Contracts. Contracts for specified EDP goods and services subject to approval requirements of the Governor or other competent authority.
- (k) Lease Agreements. Agreements for leasing or renting of office space subject to approval requirements of the Governor or other competent authority.
- (l) Grants, Subsidies, or Purchases of Service Contracts. Contracts covering obligations relating to grants, subsidies, or purchases of service subject to approval requirements of the Governor or other competent authority.